February 18, 2005

Hello again from sunny Olympia. The weather here has been a pleasant surprise this week. The 59th Legislature has just completed its sixth week of the 2005 session. Week seven starts on Monday, February 21.

Election challenge update

Chelan County Superior Court Judge John Bridges today declined to issue an order clarifying a series of rulings he made in the governor's election lawsuit earlier this month. Judge Bridges instead sided with Republicans and signed an order that does little more than tally the motions that were granted and denied at a hearing February 4.

Democrats wanted Judge Bridges to sign an order providing specifics on key issues in the case, particularly whether Republicans would have to show in court which candidate got the illegal votes they allege were cast in the November election. Judge Bridges said, though, that the "court has explained already its reasoning" in the rulings from the bench two weeks ago, and he did not see the need to clarify anything further today.

But he said issues raised by Democratic Party attorney Kevin Hamiltion, particularly about standards of proof for illegal votes, need to be addressed in court. Bridges signed the order proposed by attorneys for Dino Rossi and the Republicans who filed the lawsuit.

The judge declined a Republican request to set a trial date in April. He said that was premature, until the issues of standards of proof are settled. The judge said that could take three weeks. Bridges said he also doesn't want to set a trial date until both sides are done collecting evidence and responding to subpoenas.

The Republican Party's position is that there were enough counting flaws, administrative errors, illegal votes by felons and votes made under the names of dead people that it is impossible to know who really won. Judge Bridges has said he does not have the power to order a new election, but the law does say a judge has the power to "set aside" the election and declare a different winner. Dino Rossi has said he will not accept being declared the winner and would resign so a new election could be held. If this should happen, Lt. Gov. Brad Owen would be acting governor until the results of the new election are certified.

Election reform update – new bills filed

New bills continue to be filed. Presently, 26 Senate bills regarding election reform have been introduced. **Senate Bill 5927** – moving the primary election from the third Tuesday in September to the third Tuesday in August. The purpose of this measure is to give county auditors more time to print and mail ballots to overseas voters before the general election.

Senate Bill 5942 – allowing county canvassing boards to recanvass ballots and to recertify results when an apparent discrepancy or inconsistency is brought to the attention of the canvassing board by elections staff, a third party or other individual.

Final Election Reform Task Force meeting in Spokane

Members of the public have been attending the Election Reform Task Force meetings in their area in huge numbers with a clear message that the integrity of our election process needs to be restored. These meetings

have provided an important opportunity for citizens to ask questions, share their concerns and frustrations and ask for meaningful reform.

I am told that people may be voicing their support for the following important reforms:

- Regegistration: Cleaning the voter rolls to remove the felons, noncitizens and graveyard residents from the voter rolls.
- Identification: Asking voters to prove their identity before casting their vote.
- Reconciliation: Requiring the number of ballots that go out match the number coming in.
- Standardization: Creating statewide rules for administering provisional ballots and verifying absentee signatures so everyone's votes are treated equally in every county.
- Military voter accommodation: Allowing military voters to begin voting one week after filing and making sure they are aware of their voting rights.

The final meetings are scheduled in **Spokane** – 6-8 p.m., Tuesday, February 22, Spokane Community College Lair Student Center and in **Mount Vernon**—6-8 p.m., Thursday, February 24, Skagit Valley College cafeteria. If you would like to submit your comments and/or ideas online, please visit: http://www.governor.wa.gov/electionreform/form.htm.

Budget Tidbits...just the facts

Contracting Out: ensuring state services are provided at the best value for taxpayers. For more information, go to www.src.wa.gov and click on "Budget Tidbits...just the facts, 6th Edition." Budget Tidbits are produced each week by Sen. Joe Zarelli, ranking Republican on the Senate Ways and Means Committee.

AGENDA FOR WASHINGTON 2005

Washington State House & Senate Republicans: Moving Washington Forward

Health Savings Accounts – a less expensive alternative to traditional health care coverage The state is currently facing an 11 percent annual inflation cost of government-paid health care. The skyrocketing cost of health care coverage contributed to the state's revenue shortfall in the last biennium and is part of the \$2.2 billion shortfall projected for the 2005-07 biennium. **Senate Bill 5202, which I prime-sponsored,** proposes Health Savings Accounts for state employees as a less expensive health care coverage option.

Health Savings Accounts (HSAs) were created in 2003 by the federal Medicare Modernization Act. HSAs allow individuals to pay for current health expenses and save for future medical and retiree health expenses on a tax free basis — similar to an IRA. HSAs must include a high-deductible, catastrophic health care plan.

Contributions to an HSA are deductible from a person's income tax obligation and contributions by employers are not taxable to the employee.



♦ Senate Bill 5637 is a health care proposal by Senate Democrats. This bill is referred to as the "Pay or Play," Health Care Responsibility Act, or the "employer mandate" bill. Both the Senate bill and the House bill were heard on February 17 and the hearing rooms were packed due to the controversy of the issue. Under this measure, businesses of 50 or more must pay the state a fee to provide health care coverage through the state's Basic Health Plan. If health care is already provided, a credit back to the business would occur.

This bill potentially has several adverse consequences:

- Conservative estimate of cost is \$1.6 billion.
- When all is said and done, this bill only ensures health care coverage for 18 percent of the state's 850,000 uninsured.
- Businesses providing health care coverage for their employees may end up owning the state money for businesses that don't.
- It is estimated that as a result of this legislation, 25,500 employees will become unemployed statewide.
- Those who lose their jobs are likely to be female, poor, minority and less educated.
- An ironic twist to this legislation: 3,300 of those who will lose their jobs will also lose their employer-based health care coverage.
- ❖ Senate Bill 5786 is a Democrat proposal that imposes a new property tax on homeowners. It is a permanent regular levy requiring a simple majority vote to pass.

This measure authorizes counties to submit a ballot measure imposing a new property tax of up to 75 cents per \$1,000 of assessed valuation to pay for locally negotiated cost-of-living salary increases for teachers. The money could also be used to help pay for extended learning opportunities for students and additional professional development for teachers. The new property tax money would be distributed to the school districts in the county based on each district's enrollment of full-time students.

With Washington's economy still recovering from the post-9/11 recession, it is a bad time to raise taxes on families trying to make ends meet. What's more, Washington voters have already spoken on local property taxes: In 2001, voters limited the growth of regular property taxes imposed by local governments to one percent a year by approving Initiative 747 with a yes vote of 57.5 percent.

SB 5786 also raises the question of equal funding for all K-12 students in the state as required by the superior court ruling that formed the basis of the state's Basic Education Act. Reliance on local levies causes a disparity in funding for schools — especially in rural or property-poor districts. This measure could make the state a target for a lawsuit by districts where the county property tax does not pass. This bill is in the Senate Early Learning, K-12 and Higher Education Committee.

Bill would separate children and family services from mega-agency DSHS

The Department of Social and Health Services (DSHS) was created in 1970 to combine the powers, duties and functions in the then separate departments of public assistance, institutions, veterans' rehabilitation council and vocational rehabilitation. Over the years, the types of services DSHS provides has changed and expanded. In 1981, the Department of Corrections was created, taking those functions out of DSHS. In 1989, the same steps were taken to create a separate Department of Health.

Last year, the Children's Administration within DSHS was hit hard by a poor ranking in a federal review. In November 2004, two babies were found dead of starvation – there neglectful situation having been reported several times to DSHS. A lawsuit on behalf of all former and current foster children under the responsibility of DSHS is being settled through an agreement that requires more individualized and appropriate services.

Senate Bill 5872 removes the responsibilities of the Children's Administration and Juvenile Rehabilitation Administration from DSHS and places them under a new, separate Department of Family and Children's Services. Supporters of the measure believe the mission of these two departments, the safety and well-being of children, is being compromised by the size and complexity of DSHS. This bill was heard in the Senate Human Services and Corrections Committee on Thursday, February 17.

Veterans of Operation Iraqi Freedom and Operating Enduring Freedom are made eligible for certain state benefits under Senate Bill 5112

Over the years, veterans of contemporary periods of war have been added to the list of eligible veterans to receive tuition and fee waivers at state colleges and to earn service credits for military service toward state retirement. This measure adds residents of Washington with service in Iraq. This bill is on the Senate calendar awaiting a full Senate vote.

Advertising billing scam floods Attorney Generals' Consumer Resource Center

More than 50 people have made complaints to the Seattle-based Consumer Resource Center claiming they received a bill for \$399 from a business they have never heard of. Businesses ranging from apartment rentals to transportation services received bills from an outfit claiming to be a Seattle directory service, with many receiving multiple bills demanding payment from a company they could not reach to refute the bills. So far no one has reported paying the invoices. Consumers who receive bills for products or services they did not order are encouraged to file a complaint with the Attorney General's office at 1-800-551-4636.

Listen to me and Reps. Armstrong and Condotta on the radio Friday mornings

Here is a reminder that Reps. Mike Armstrong and Cary Condotta and I get together every Friday morning to talk live with local radio stations about what is happening in the Legislature. These weekly radio shows allow listeners to learn more about the legislative session. (We also do a weekly call-in to the Wenatchee Valley Chamber of Commerce on Fridays from 7:30 to 8 a.m.) If you haven't listened to these radio updates and want to tune in, here is the Friday morning radio schedule:

7:15-7:30 a.m., KOHO (FM 101.1) 8 a.m.-8:30 a.m., KPQ (AM 560) 8:30 a.m.-9 a.m., KOZI (AM 1230/FM 93.5)

Watch my legislative video updates on CNN Headline News

A few weeks ago, my weekly legislative video updates began appearing on the CNN Headline News channel in the Wenatchee area. These updates are roughly five minutes long and are aired occasionally at the top of the hour daily. Reps. Armstrong and Condotta also have video updates on Headline News. If you aren't doing it already, I encourage you to watch an update in case you want to learn even more what is happening in Olympia.

Wilson Creek student shadows me this week

This week I have had the pleasure of having a Wilson Creek senior high student shadow me for the whole week. As deputy Republican leader sitting on two policy committees, the budget committee and also the Rules Committee, she had the opportunity to experience a lot. If you are interested in visiting our state capital and shadowing me for a day or more, please just let me know.

Thanks again for the feedback on my previous e-mail updates. It's important for me to know what you think about the issues before the Legislature. See you next week!

Legislative toll free hotline: 1-800-562-6000 TTY: 1-800-635-9993 Senate Republican Web site: www.src.wa.gov

Legislature's Web site: http://www1.leg.wa.gov/legislature